

7-11-11
A06-0019



***National
Environmental
Achievement Track***

Application Form

McKinley Paper Company

Name of facility

Grupo Industrial Durango

Name of parent company (if any)

County Road 19

Street address

PO Box 100

Street address (continued)

Prewitt, NM 87045

City/State/Zip code

Give us information about your contact person for the
National Environmental Achievement Track Program.

Name John Shaw

Title Technical Manager

Phone (505) 876-2190

Fax (505) 876-2313

E-mail johsh@mckinleypaper.com

Why do we need this information?

EPA needs background information on your facility to evaluate your application.

What do you need to do?

- Provide background information on your facility.
- Identify your environmental requirements.

Section A

Tell us about your facility.

1 What do you do or make at your facility?

Manufacture paperboard for use by our customers to produce corrugated boxes.

2 List the Standard Industrial Classification (SIC) code(s) or North American Industrial Classification System (NAICS) codes that you use to classify business at your facility.

SIC
2621

3 Does your company meet the Small Business Administration definition of a small business for your sector?

☐ Yes

☒ No

4 How many employees (full-time equivalents) currently work at your facility?

☐ Fewer than 50

☐ 50-99

☒ 100-499

☐ 500-1,000

☐ More than 1,000

Section A, continued

5 Does your facility have an EPA ID number(s)?

☒ Yes

☐ No

If yes, list in the right-hand column.

NMR05A467

6 Identify the environmental requirements that apply to your facility. Use the Environmental Requirements Checklist, at the back of the instructions, as a reference. List your requirements to the right *or* enclose a completed Checklist with your application.

7 Check the appropriate box in the right-hand column.

☐ I've listed the requirements above.

☒ I've enclosed the Checklist with my application.

8 Optional: Is there anything else you would like to tell us about your facility?

McKinley Paper Company, MPC, located in Prewitt, New Mexico is a zero liquid discharge paper mill. No liquid effluent is discharged as part of the paperboard-making process. MPC reclaims the process water and returns the cleaned water for re-use in the system.

McKinley Paper Company is a pilot participant in the New Mexico Environment Department Green Zia Environmental Excellence Program. For the past two years MPC has received the top award given by the state in recognition of continued dedication to cost reduction through waste minimization.

Why do we need this information?

Facilities must have an operating Environmental Management System (EMS) that meets certain requirements.

What do you need to do?

- Confirm that your EMS meets the Achievement Track requirements.
- Tell us if you have completed a self-assessment or have had a third-party assessment of your EMS.

Section B

Tell us about your EMS.

1 Check **yes** if your EMS meets the requirements for each element below as defined in the instructions.

a. Environmental policy ☒ Yes

b. Planning ☒ Yes

c. Implementation and operation ☒ Yes

d. Checking and corrective action ☒ Yes

e. Management review ☒ Yes

2 Have you completed at least one EMS cycle (plan-do-check-act)? ☒ Yes

3 Did this cycle include both an EMS and a compliance audit?

4 Have you completed an objective self-assessment or third-party assessment of your EMS?

If yes, what method of EMS assessment did you use?

☒ Self-assessment

☐ GEMI

☒ Other

☐ CEMP

Worked with a consultant to develop, implement and track the EMS process.

☒ Third-party assessment

☐ ISO 14001 Certification

☒ Other Custom EMS plans based on the individual company needs.

Why do we need this information?

Facilities must show that they are committed to improving their environmental performance. This means that you can describe past achievements and will make future commitments.

What do you need to do?

Refer to the Environmental Performance Table in the instructions to answer questions 1 and 2.

Section C

Tell us about your past achievements and future commitments.

- 1 Describe your past achievements for at least two environmental aspects. If you need more space than is provided, attach copies of this page.

Note to small facilities: If you qualify as a small facility as defined in the instructions, you are required to report past achievement for at least one environmental aspect.

First aspect you've selected

What aspect have you selected?	What was the previous level (2 years ago)?		What is the current level?	
	Quantity	Units	Quantity	Units
Material Use	10%	pounds	8%	pounds
<p>i. How is the current level an improvement over the previous level?</p> <p>Today, through benchmarking data, MPC has one of the highest Old Corrugated Container, (OCC) fiber recovery rates in the world. In 1996, MPC OCC fiber loss stood at more than 14%. In 1999 OCC fiber at MPC is at 8.2% and may be below 8% in the year 2000.</p>				
<p>ii. How did you achieve this improvement?</p> <p>Improvements were made through training of personnel, additional operating experience gained by plant personnel, and capital improvements.</p>				

Second aspect you've selected

What aspect have you selected?	What was the previous level (2 years ago)?		What is the current level?	
	Quantity	Units	Quantity	Units
Water use	450 gallons per ton of paperboard produced	gallon	365 gallons per ton of paperboard produced	gallons
<p>i. How is the current level an improvement over the previous level?</p> <p>The reduced water usage per ton of paperboard manufactured by MPC is a result of improved recycling around the paper manufacturing unit. More efficient water removal in the first two steps of drying paper reduced the level removed by the third, which is evaporation. Water removed in the first two paper manufacturing process methods is recoverable and reused.</p>				
<p>ii. How did you achieve this improvement?</p> <p>The improvement was made through process improvements and changes in operating procedures. Steam was applied to the paper to ease the removal of water from the paperboard. In addition, pressing was improved by changes in wet felt design and cleaning as well as a change in the type and design of roll covers.</p>				

- 2 Select at least four environmental aspects (no more than two from any one category) from the Environmental Performance Table in the instructions and then tell us about your future commitments. If you need more space than is provided, attach copies of this section.

Note to small facilities: If you are a small facility, you are required to make commitments for at least two environmental aspects in two different categories.

First aspect you've selected

- a. What is the aspect?
- Materials use
- b. Is this aspect identified as significant in your EMS?
- ☒ Yes ☐ No
- c. What is the current level? You may choose to state this as an absolute value or in terms of units of production or output.
- ☐ Option A: Absolute value (Quantity/Units)
- ☒ Option B: In terms of units of production or output 8.0% loss of total OCC purchases (Quantity/Units)

d. What is the improvement you are committing to over the next three years? You may choose to state this as an absolute value or in terms of units of production or output.

- ☐ Option A:
Absolute value
(Quantity/Units)
- ☒ Option B:
In terms of units of production or output
7.5% loss of total OCC purchases
(Quantity/Units)

e. How will you achieve this improvement?

The continued improvements will occur through training of plant personnel along with continued optimization of the existing equipment. Practical limit with existing technology is around 7%. Plant personnel will work within the plant, with suppliers, and other paperboard producers to reduce OCC fiber loss while maintaining product quality.

Second aspect you've selected

a. What is the aspect?

Water use

b. Is this aspect identified as significant in your EMS?

☒ Yes ☐ No

c. What is the current level? You may choose to state this as an absolute value or in terms of units of production or output.

- ☐ Option A:
Absolute value
(Quantity/Units)
- ☒ Option B:
In terms of units of production or output
365 gallons per ton of paperboard produced
(Quantity/Units)

d. What is the improvement you are committing to over the next three years? You may choose to state this as an absolute value or in terms of units of production or output.

- ☐ Option A:
Absolute value
(Quantity/Units)
- ☒ Option B:
In terms of units of production or output
350 gallons per ton of paperboard produced
(Quantity/Units)

e. How will you achieve this improvement?

The expected improvement will occur due process improvements, (remove more water prior to evaporation), and efficiency improvements(reduce offgrade production).

Third aspect you've selected

a. What is the aspect?

Waste

b. Is this aspect identified as significant in your EMS?

☒ Yes ☐ No

c. What is the current level? You may choose to state this as an absolute value or in terms of units of production or output.

☐ Option A:
Absolute value

(Quantity/Units)

☒ Option B:
In terms of
units of production
or output

65% of base year in
dollars. Base year is 1996
and is 100%
(Quantity/Units)

d. What is the improvement you are committing to over the next three years? You may choose to state this as an absolute value or in terms of units of production or output.

☐ Option A:
Absolute value

(Quantity/Units)

☒ Option B:
In terms of
units of production
or output

60% of base year in
dollars. Base year is 1996
and is 100%.
(Quantity/Units)

e. How will you achieve this improvement?

Over the last four years, MPC has worked within the plant, with another company, and with the State of New Mexico to reduce the solid waste here at the plant. The reduction in dollars spent occurred as the unuseable OCC for production, now is used as a raw material for another product and as a soil conditioner. These two uses has reduced the dollars previously spent to landfill the unuseable OCC. Over the next several years it is expected that both of these uses may grow to some degree. Capital expenditures and personnel training have also reduced the actual amount of unuseable OCC fiber generated by the plant. This improvement in the efficiency of the OCC cleaning operations yields a higher recovery rate of useable OCC for paperboard production.

Fourth aspect you've selected

a. What is the aspect?

Energy use

b. Is this aspect identified as significant in your EMS?

☒ Yes ☐ No

c. What is the current level? You may choose to state this as an absolute value or in terms of units of production or output.

☐ Option A:
Absolute value

(Quantity/Units)

☒ Option B:
In terms of
units of production
or output

570 Kw per gross ton of
paperboard produced
(Quantity/Units)

d. What is the improvement you are committing to over the next three years? You may choose to state this as an absolute value or in terms of units of production or output.

☐ Option A:
Absolute value

(Quantity/Units)

☒ Option B:
In terms of
units of production
or output

535 Kw per gross ton of
paperboard produced.
(Quantity/Units)

e. How will you achieve this improvement?

Plant efficiency improvements will be the main driver for lowering electrical energy consumed by the plant. The uptime of the plant is expected to improve through personnel training, and improved preventive maintenance. The current plant uptime efficiency is below similar plant efficiency. As as much as 90% of the electrical energy is consumed whether a product is being produced or not. A small improvement in the plant efficiency will measureably decrease the electrical energy consumed per gross ton of paperboard produced. Plant personnel are also looking at reducing the electrical demand by replacing equipment.

Why do we need this information?

Facilities must demonstrate their commitment to public outreach and performance reporting. You should have appropriate mechanisms in place to identify community concerns, to communicate with the public, and to provide information on your environmental performance.

Section D

Tell us about your public outreach and reporting.

What do you need to do?

- Describe your approach to public outreach.
- List three references who are familiar with your facility.

1 How do you identify and respond to community concerns?

A look at the map and one will see the MPC plant is located in the high desert in Northwest New Mexico. Members of the community were partially responsible for MPC locating in this area. MPC employees and those of the nearby power plant make-up a significant portion of nearby population. As a result, the needs of both the plant and the community are closely intertwined. The business contacts and the plant employees provide a indirect and direct means to communicate and hear the community needs and concerns.

2 How do you inform community members of important matters that affect them?

MPC informs community members through the required governmental means such as the Community Right-to Know regulations but predominantly through word of mouth of MPC employees. Because of the involvement of MPC employees in the community and due to the community size, word of mouth works. MPC intends to do business at this location for some time to come. Therefore, the stewardship of the environment is a daily concern that is not taken for granted by the employees, company and parent company. MPC, through best management practices strives toward not being put in the position of having to inform the community of important matters that affect them.

3 How will you make the Achievement Track Annual Performance Report available to the public?

☒ Website www.mckinleypaper.com

☐ Newspaper

☐ Open Houses

☒ Other

Successful enrollment by MPC in this program will be communicated to all plant and company personnel. Through word of mouth, this achievement will become known throughout the surrounding community and State. In fact, a member of the New Mexico Environment Department suggested that MPC apply for acceptance in this program based on the environmental performance of the Prewitt plant. With an appointment and after a safety orientation, employees are able to tour the facility with friends and relatives as well as the general public.

4 Are there any ongoing citizen suits against your facility?

☐ Yes ☒ No

If yes, describe briefly in the right-hand column.

5 List references below

	Organization	Name	Phone number
Representative of a Community/Citizen Group	Cibola Chamber of Commerce	Andy Morrow	(505)285-6611
State/Local Regulator	New Mexico Environment Department	Patricia Gallagher	(505)827-0677
Other community/local reference	Grants Medical Center	Dr. Arnold Valdivia	(505)287-4446

Section E

Application and Participation Statement

On behalf of McKinley Paper Company
[my facility],

I certify that

I have read and agree to the terms and conditions, as specified in the *National Environmental Achievement Track Program Description* and in the *Application Instructions*;

I have personally examined and am familiar with the information contained in this Application (including, if attached, the Environmental Requirements Checklist). The information contained in this Application is, to the best of my knowledge and based on reasonable inquiry, true, accurate, and complete, and I have no reason to believe the facility would not meet all program requirements;

My facility has an environmental management system (EMS), as defined in the Achievement Track EMS requirements, including systems to maintain compliance with all applicable federal, state, tribal, and local environmental requirements, in place at the facility, and the EMS will be maintained for the duration of the facility's participation in the program;

- My facility has conducted an objective assessment of its compliance with all applicable federal, state, tribal, and local environmental requirements, and the facility has corrected all identified instances of potential or actual noncompliance;

Based on the foregoing compliance assessment and subsequent corrective actions (if any were necessary), my facility is, to the best of my knowledge and based on reasonable inquiry, currently in compliance with applicable federal, state, tribal, and local environmental requirements.

I agree that EPA's decision whether to accept participants into or remove them from the National Environmental Achievement Track is wholly discretionary, and I waive any right that may exist under any law to challenge EPA's acceptance or removal decision.

I am the senior facility manager and fully authorized to execute this statement on behalf of the corporation or other legal entity whose facility is applying to this program.

Signature/Date



Printed Name/Title

J.T. Hennessy EVP MGR

Facility Name

McKinley Paper Company, Prewitt Mill

Facility Street Address

P.O. Box 100, County Road 19 Prewitt, NM

Facility ID Numbers

The National Environmental Performance Track is a U.S. Environmental Protection Agency program. Please direct inquiries to 1-888-339-PTRK or e-mail ptrack@indecon.com. Mail completed applications to:

The Performance Track Information Center
c/o Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140